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( for the Study of Common Property ( IASCP )

THE PRIVATIZATION OF THE SEA AND ARTISAN FISHING IN CHILE

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Common Property Conference September 26 - 29, 1991 Winnipeg, Canada

#### INTRODUCTION

During the last two decades the fishing sector in Chile has experimented an important development. This is also true for the artisan fishing sector.

However this expansion has not been either harmonious nor without tensions. On the one hand ,the productive activities of the artisan fishermen are characterised by uncertainty and instability. This produce a type of rationality that stress immediate survival rather than saving and accumulation, on the other hand , this sector shows high rates of poverty and also suffered a disarticulation of their organizations , during the military government.

Added to these problems , there has been an accelerated process of privatization of the sea. This new reality put the question to what extent artisan fishermen characterized by short term rationality, individualism, disorganization and poverty have faced this process of privatization of the sea.

Therefore, our research seeks to analyze the effects that the privatization of the sea have had on artisan fishing and the role that these sector has play in the development of aquaculture, activities, especially in the cultivation of the gracilaria seaweed.

In this regards we are looking for the social and organizational factors that facilitated and those that undermined the adoption of the various forms of collective works under common property system.

We will start by saying a few words about the historical background of the extraction and cultivation of Gracilaria seaweed in Chile.

In spite of the fact that the exploitation of the seaweed started during the 50's, it was not until the end of the 70's that this exploitation became an important activity in the coast of the central and southern zones of Chile. (See attached map)

However as a result of the continuous expansion of this activity during the 70's and the 80's its exploitation, based on natural banks, significantly diminished. Nevertheless, at the same time, this areas were requested for cultivation because this activity became very profitable. This due to the fact that during this period, the military government actively promoted exports and international prices for seaweed increased.

#### CHART N 1

### NATIONAL PRODUCTION OF GRACILARIA SEAWEED IN NATURAL BANKS AND CONCESSIONS. 1985-1989 ( Moist Tons.)

YEARS	NATURAL BANKS	CULTIVATION CENTRES	TOTAL
1985	112.597	4.924	117.521
1986	64.530	5.332	69.862
1987	47.624	9.178	56.802
1988	36.678	23.109	59.787
1989*	27.689	19.209	46.898

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(\*) Production up to june 1989.

SOURCE: SERNAP

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Between 1988 and 1990 the request for concessions expanded significantly. During this period the number of concessions and surface covered by them, almost doubled. From 623 in 1988 they increased up to 1121, and the surface increased from around 4000 to 8000 hectares. Is important to say that the majority of them have been asked for the cultivation of Gracilaria. This expansion concentrated mainly in one of the region of the country. In fact, 85% per cent of the concessions of Gracilaria seaweed and 67% of the surface assigned to this type of cultivation are located in the X region of the country.

The "boom" we have just figure out are exolained not only by economical factors but also by political ones. Towards the end of the military regime, the government was interested in assigning property rights to private capital, while at the same time, the new coming democratic government gave support to the demands of artisan fishermen which claimed that their demands have not been considered by the militaries.

The expansion of the cultivation activity raised some questions with regards to the effects and consequences which this phenomenon has had on artisan communities and the role that the artisan fishermen played in the process of privatization of the sea.

Unfortunately, there are not statistics at national level which allow us to know thw number of concessions and surface which are in the hands of the artisan fishermen. However an attempt has been made to estimated this situation by counting the number of concessions assigned to artisan formal organizations. Potocnjac and Solari estimated that in 1991 there existed 75 artisan organization (from the 1120 existent in the country) which gather around 3000 fishermen who owned in common property 18% of the total surface assigned in concessions.( 1380 is the total number of hectares given in concessions).

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Although this figures provide us with an estimation of the concessions under the rule of artisan organizations there is not information about the concessions in the hands of "private artisan fishermen" at national level. The only available information about the concessions in hands of private artisan fishermen and in common property is for the X region of the country that, as we previously mentioned, is the one that concentrated the most important amount of concessions. In this region, 30 % of the concessions and one third of the surface assigned are in the hands of artisan fishermen. This proportion increased up to 50% if we just consider the seaweed concessions.

With respect to the number of concessions under private and common property system we find out that 88% of the surface given in concessions is under common property system, even though they only represent 17% of the total number of artisan concessions or

grants. It is interesting to note that those concessions under common property system are exploited in a greater extent.

( Chart number <sup>2</sup>.2)

In sum, the information we have analyzed in this section allow us to conclude that some of the artisan fishermen have taken a clear advantage of the initial threat that represented the process of privatization of the sea. They have actively participated in the process of getting concessions. At the same time, those artisan fishermen who obtained concessions in common property have been more successful in cultivating their grants.

In the following section we will attempt to go in depth in the analysis of: - the reasons which motivated artisan fishermen to ask for concessions; - the obstacles they faced in assuming the challenge of cultivation and, - the consequences that the change from collectors to cultivators produced within their communities and in their rationality.

With the aim of answering these issues we used different field methods. First of all, we made several visits to the most important areas in which artisan concessions were concentrated. Secondly, we interviewed strategic informants of the different communities and we conducted some focus groups with fishermen's leaders of these different communities. And finally we check some of ours hypothesis

## CHART 2

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# PROPERTY SYSTEM AND CULTIVATION OF THE CONCESSIONS . IN HANDS OF ARTISAN FISHERMEN

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	COMMON PROPERTY	PRIVATE PROPERTY	TOTAL
NON CULTIVATED	66%	93%	89%
CULTIVATED	22%	7%	118
TOTAL N	100% (65)	100% (340)	100% (405)

SOURCE: IFOP - FUNCAP

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through a structured interviews to leaders of the organizations which have been asking concessions based on common property.

Up to now we have collected systematic information for 22 concessions under common property system in one of the three areas that we will finally considered in our study. From these 22 cases, ten where producing and selling their products and the other 12 were not producing.

With regards to the first of the issues we have just raised - that is to say the reasons that leads fishermen to ask for a concession - we find out that the most significant was the feeling of being threatened by outsiders who were asking for private concessions in those places traditionally occupied by them. A second reason mentioned by our interviewed was the need to create new employment opportunities due to the ban of extraction of seaweed and the exhaustion of the natural banks they previously exploited.

An non intentional consequence of the process of privatization was the tendency of the community to formal organise themselves in order to face the threat that represented the process of privatization. From the 22 cases, 86 per cent formally organised themselves to apply for obtaining a concession what creates a sentiment of unity within the community. It is also clear that

fishermen became legally organised themselves when they perceive the organization as a meaningful instrument to obtain a concrete target.

In regards to the reasons they mentioned when we asked why they applied for a concessions on common property basis we find out that the more important factor was the believe that seaside belongs to the whole community and therefore all of them should benefits from it. They also mentioned that this form of request was cheaper in terms of legal procedures, that also they might solve more easily their financial problems and that the exploitation turned out to be more profitable. At the same time, the idea of entering in a new activity as a group appears to them more attractive and feasible than to do it individually. This, due to the fact, that they did not know the legal procedure for obtaining a grant neither they have the knowledge for cultivating the sea. They also mentioned that both of these aspects could be more easily overcame with the support of an external agent, which in turn, was more feasible to obtain in group through an organization.

With respect to the second issue we analyzed - that is to say the obstacles fishermen faced in the challenge for the cultivation of the sea - we look at the factors that were behind the success or failure of the communities in the cultivation of the sea. In this respect, we find out that those groups that were small, homogeneous, more isolated and which have used a selective policies

in the initial recruitment of their members were the most successful.

On the contrary, the principal obstacle faced by the organizations which had concessions but which were not under cultivation were problems of human relations among their members such as competing leadership as well as divisions and conflicts within the community what create and promote mistrust between members of the organization.

A last point we want to bring into discussion is the form in which the groups which are cultivating organised their work.

In most of the concessions studied, each member has to work a fixed number of days . Never the less, in the majority of the centre under cultivation some type of jobs received better payment than others. These jobs were the ones considered specialized as is the case of divers.

This working system differentiate between payment to work, members' equipments and profits. In turn, the profits were distributed according to the day effectively worked by each member of the group. These means that despite property is in common, not all the members received the same income.

Another important fact is that almost all the concessions

under cultivation have made investments in equipments and infrastructure with the profits generated by the productive activity performed through the organization.

With regards to our third issue - that is to say, the effects that the privatization of the sea have had in the artisan communities and in fishermen rationality, our preliminary conclusions are that those artisan communities where fishermen change from extractors to cultivators experimented important transformations.

In term of their economic rationality, we appreciated a greater interest in save, invest and planning for the future as well as increased production consolidating their organizations. This bring the concern for establishing rules and norms for a better functioning of their organizations. The artisan fishermen also show a great interest in getting new knowledge and training.

In the social aspect, we find out a greater awareness for carrying out tasks leading to the conservation of the resources through strengthening their communities ties and organizations in order to face the threat represented by privatization.



